



FINANCE AND ADMINISTRATION CABINET  
KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

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**USDE delivers good news for Kentucky students**

**Frankfort, Ky. (May 29, 2008)** — The Kentucky Higher Education Student Loan Corporation (also known as The Student Loan People) is pleased to announce it began accepting applications for both new and previous borrowers on Tuesday, May 27, for loans having first disbursements after July 1, 2008.

The Student Loan People, Kentucky's only public nonprofit student loan provider, was recently forced to temporarily suspend making Federal Family Education Loans for a short period due to the capital market crisis.

"We are very encouraged by recent guidance from the U.S. Department of Education (USDE), which demonstrates the agency's intention of furnishing capital to student loan providers to ensure students have access to low-cost loans for higher education," said Edward J. Cunningham, Executive Director/CEO of The Student Loan People and Kentucky Higher Education Assistance Authority (KHEAA). "Although details have not yet been finalized, USDE's commitment enables us to once again accept loan applications and continue fulfilling our public-service mission."

In late April, Governor Steve Beshear sent Finance and Administration Cabinet Secretary Jonathan Miller to Washington, D.C. to meet with members of Kentucky's congressional delegation and officials from the U.S. Treasury and the USDE to seek their assistance in addressing this matter of great importance to the student loan community.

"I am very grateful to Kentucky's delegation and administration officials for meeting with Sec. Miller, listening to our concerns and for giving this matter their immediate attention," said Gov. Beshear. "We are very pleased with this promising action, which will allow The Student Loan People to continue accepting loan applications for Kentucky students."

The Student Loan People will continue to assess whether financing will be available soon enough to allow the agency to accept applications for loans that would be disbursing between now and July 1.

The Student Loan People was created by the state legislature in 1978 to make higher education more accessible for Kentuckians by making, financing and purchasing student loans.

Additional information will be posted at [www.studentloanpeople.com](http://www.studentloanpeople.com) as soon more details become available.

**About KHEAA and The Student Loan People**

The 1966 Kentucky General Assembly created the Kentucky Higher Education Assistance Authority (KHEAA) as a public corporation and governmental agency and instrumentality of the Commonwealth to improve access to college and technical training. KHEAA administers federal student loan programs, provides state student financial aid, and distributes information about college opportunities. In 1978, the state legislature created the Kentucky Higher Education Student Loan Corporation (KHESLC), a *de jure* municipal corporation, to ensure funding would be available to Kentuckians by making, purchasing, and financing student loans. KHESLC assumed the name of The Student Loan<sup>sm</sup> People in 1999. The Student Loan People and KHEAA are governed by a board of directors with identical membership, and the executive director of KHEAA also serves as executive director of The Student Loan People. For more information, visit [www.kheaa.com](http://www.kheaa.com) or [www.studentloanpeople.com](http://www.studentloanpeople.com).